



Approved
4/13/22

MINUTES
City of Tacoma
Public Utility Board Study Session
March 23, 2022
3:00 p.m.

Vice-Chair Cooley called the Public Utility Board study session to order at 3:00 p.m. at the auditorium of the Public Utilities Administration Building.

Present: Christine Cooley, Carlos Watson, Holland Cohen, John O'Loughlin
Excused: Mark Patterson

Equity in Contracting Advisory Board

Kacee Woods, Neighborhood and Community Services Program Manager, provided background on the Equity in Contracting (EIC) ordinance approved in November of 2019. EIC replaced the Small Business Enterprise program in Tacoma Municipal Code (TMC) 1.07 and created gender/race conscious tools. Ms. Woods outlined the 2021 program outcomes; the result was a 59 percent increase in the number of awards with 69 percent increase in amounts awarded to Tacoma's small, minority, and woman-owned businesses. Priorities for 2022 include reengagement of internal and external stakeholders, working on EIC compliance; expanding the program to goods and services, and the establishment of an EIC advisory board. The advisory board is authorized by TMC 1.07.090A and should consist of a 15-member Council; seven for contractor type positions; 5 for Council districts; and 3 recommended by the Public Utility Board from the TPU service area. The resolution establishing the committee is scheduled for the April 12 Council meeting with interviews in May with appointment of members in June.

Tacoma Power: Energy Imbalance Market Go-Live

Chris Juchau, Sr. Policy Analyst, shared a video highlighting the cross-sectional teams that contributed to the Energy Imbalance Market (EIM) go-live. EIM a real-time energy supply market that offers electricity generation and transmission services and automatically balances demand every 15 minutes and dispatches power plants to meet demand every five minutes with the lowest cost energy. EIM offers an attractive market for Tacoma Power's valuable, quick-ramping hydro resources and provides access to western energy market development. EIM milestones were then highlighted. Behzad Hosseini, Power Management Contractor, then reviewed the project finances, which were

under budget. In response to a Board inquiry about the timetable for a return on investment, Power Superintendent Robinson shared that Seattle City Light realized their return on investment in two years. Preliminary projections show that Tacoma will be in the black by \$7M in ten years. Board Members and Director Flowers made positive remarks about this project.

Tacoma Power: Energy Efficient Rental Properties

Lis Saunders, Conservation Manager, began by sharing that conservation is a cost-effective resource that is good for both the environment and customers. The conservation plan is analysis driven, equitable, and has programs that appeal to customers. Tacoma Power’s residential portfolio provides incentives for window replacement, insulation, heat pumps, and water heaters. For the low-income customers, 116k have electric heat; 48 percent are at or below qualifying income levels. Ms. Saunders then detailed how an equity lens is applied to the conservation program and low-income customers and the community engagement that went into the program design; this included both landlords, tenants, and community partners. Tenant themes were that improvements lead to rent increases. Landlord themes were that they have competing priorities, would need tax reductions and incentives with no upfront out of pocket costs, and they need assistance navigating processes. One lesson learned is that for lasting impact and change, there must be collaboration with General Government and Pierce County. Policy and programmatic measures were then outlined and how the equity index would be applied. Ms. Saunders concluded by summarizing program offerings, which include an affordability covenant, insulation, window replacement.

Adjournment

The study session was adjourned at 4:25 p.m. until the next Board special meeting on budget and rates scheduled for Wednesday, March 30, 2022 at 8:00 a.m.

Approved:



Mark Patterson, Chair



Carlos Watson, Secretary